in respect of diesel in the year 2006-07 as a result of hike in the cost of petrol and diesel; and

(b) if so, the details thereof and the amount of additional revenue to be received by each State during the current year as a result of the above price hike?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The information is being collected and will be laid on the Table of the House.

Outstanding balance of Direct Taxes

†1540. SHRI RAM JETHMALANI:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the outstanding amount of direct taxes in the country is estimated to be Rs. 1,17,000 crores as on 1st April, 2006;

(b) if not, the details thereof;

(c) whether it is also a fact that out of this amount only an amount of Rs.11,700 crores has been targeted to be recovered in the year 2006-07; and

(d) if not, the targeted amount and the basis for setting this target?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. The amount of outstanding income tax demand in the country is Rs. 1,16,766 crores as on 1st April, 2006.

(b) The details are as under:

(Rs. in crore)

Corpn. Tax	Income Tax	Total
69,310	47,456	1,16,766

(c) Yes, Sir. Out of the total outstanding income tax demand, an amount of Rs. 11,741 crores has been targeted to be recovered in the year 2006-07.

†Original notice of the question was received in Hindi.

(d) Does n t arise, in view of reply to part (c) above. The basis for setting the targeted amount is a realistic approach looking into the past history and also the fact that the major portion of the outstanding income tax demand is difficult to recover.

Reform in Banking System

†1541.DR. MURLI MANOHAR JOSHI:
SHRI RAVI SHANKAR PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that according to an expert report the reforms in the banking system in the country can raise the GDP upto 7 per cent;

(b) if so, the details in this regard and Government's reaction thereto;

(c) whether Government have taken any steps for implementing reforms in the banking system; and

(d) if so, the time bound benefits likely to be achieved after such reforms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BÁNSAL): (a) and (b) Government/Reserve Bank of India does not have any estimate of the quantum of GDP that can be generated by reforming the banking sector.

(c) and (d) The thrust of the financial sector reforms in India was to promote a diversified and efficient financial system with the ultimate objective of improving the allocative efficiency of resources through operational flexibility, improved financial viability and institutional strengthening. Since 1991, various reform measures have been introduced in the banking sector in a gradual manner. These include:—

* Creation of a conducive policy environment-Measures were aimed at reducing the high levels of statutory pre-emption in the form of reserve requirements, gradual rationalization and liberalization of administered interest rate structure and streamlining the allocation of credit to certain sectors.

†Original notice of the question was received in Hindi.